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ABSTRACT

Focusing on economic development in the People's Republic of China beginning at the eve of the communist takeover, this monograph analyzes the ways and patterns in which mass media and interpersonal communication were used to change economically relevant social structures in the interclass confrontation and the part these patterns played in the process of capital formation. Topics covered are: social structural change, including land reform, the "Wu Fan" movement, and the socialist transformation; and surplus value and investment, specifically production increase campaigns and restricted consumption. (FL)

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COMMUNICATION, SOCIAL STRUCTURAL CHANGE, AND CAPITAL FORMATION IN PEOPLE'S REPUBLIC OF CHINA

No. 9

by

GODWIN C. CHU

June 1974

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ABSTRACT

This paper focuses on China's experience of economic development beginning at the eve of the Communist take-over. The author analyzes the ways and patterns in which mass media and interpersonal communication were used to change economically relevant social structures in the inter-class confrontations, and the part these patterns played in the process of capital formation for economic development.

GODWIN C. CHU is a Research Associate at the East-West Communication Institute.

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COMMUNICATION, SOCIAL STRUCTURAL CHANGE, AND CAPITAL FORMATION IN PEOPLE'S REPUBLIC OF CHINA

INTRODUCTION

To leaders of many emerging nations today one problem of top priority seems to be: What is the most efficient way of uplifting the economic productivity of their countries? It is no secret that some of the leaders are reluctant to look toward the West for a model. Both their past experience with the colonial powers and the seemingly impracticable patterns of Western economic development may have discouraged these new nations from taking it seriously. They cannot afford to wait a hundred years. What they want is a speedy transformation from poverty to self-sufficiency. In this context, the experience of China seems to offer promise. China was largely underdeveloped two decades ago. Regardless of one's ideological inclination, there is no denying that Communist China has gained considerable headway in its industrialization and economic development within a relatively short time. Thus the often heard question: What is the Chinese model of economic development? Can it be applied, with modifications perhaps, to other non-Western countries?

The word "model" needs to be used with caution. Whether applied to the American or West European system or to the Chinese Communist approach, the term may imply a degree of simplicity that can be both deceptive and irrelevant. In a strict sense, no country's experience can be a model for any other country because of differences in cultural and social structural backgrounds. However, it is possible to examine the broad steps which the Chinese Communists have taken, some with less success than others, in their arduous journey of economic development. It would then be up to each country to consider whether any of these steps might be feasible within its own cultural and social structural context. In this sense, the experience of China would not be a model, but simply part of the input in the overall deliberations and planning of a country in its process of economic development.

In general, economic development requires an efficient utilization and organization of manpower and resources.[1] Manpower is essential not only in the form of abundant supply of labor but also in the quality of technical know-how available to a country. The major resources include land, raw materials and production equipment. An underdeveloped country is usually deficient in most of these aspects: insufficient supply of labor due to poor health, low quality of technical know-how due to illiteracy and lack of training, and shortage of raw materials and production equipment due to inadequate capital formation and investment. In some cases, land is available but not fully cultivated.

The conditions of China on the eve of the Communist take-over had a number of characteristics perhaps not uncommon in other underdeveloped countries. There was no serious shortage of labor, although the general level of technical know-how was not high. Unlike some countries in Africa and elsewhere in Asia, China did have a sizable though probably inadequate group of engineers and managerial personnel. There was no shortage of land either. The most serious deficiency for China was in the supply of industrial materials and production equipment. An effective strategy would therefore seem to be how to make the most efficient use of what China did have, i.e., labor, land, and limited technical know-how, in order to accumulate enough capital for the purchase of industrial materials and production equipment.[2]

Capital formation thus held the key to economic development in China. Two necessary conditions can be identified for capital formation: The level of consumption must be less than the level of production, and the surplus must be channeled into reinvestment. Both conditions are related to the cultural values as well as the social structure. The relation between productivity and cultural values is well illustrated by Weber's discussion on the Protestant ethic.[3] Cultural values are related to consumption. Assuming that the level of productivity in a country is not so low as to provide the barest minimum consumption, then the size of the surplus would depend on the readiness of the people to defer gratification.[4] In some cultures, however, the predominant values may not favor deferred gratification. Extensive feasts and celebrations tend to minimize or even eliminate any sizable surplus. Even when some surplus is made available, it may not be channeled into reinvestment for development but kept immobile in the form of gold, jewelry or unproductive land holdings because of cultural beliefs and values.[5]

The relation between social structure and capital formation is perhaps even more pronounced. It has been suggested that one major factor for the different rates of economic development of China and Japan during

the past could be their social structures.[6] The Japanese social structure, characterized by primogeniture, did not permit the division of land among all sons, but only allowed the eldest son to inherit the land. The other sons had to find work elsewhere. When they had accumulated some wealth, there were restrictions on the purchase of land. The accumulated wealth, while not being converted into land, often became capital for investment in business. Under the Chinese social structure, however, all sons were entitled to a parcel of the father's land, so there was less structural pressure to engage in other forms of productivity. On the other hand, there was no structural restriction on the purchase of land, which was valued as a status symbol. Thus much of the wealth generated outside of the rural economy was not channeled into reinvestment but tied up in the purchase of largely unproductive real estate. Capital formation suffered.

Another structural barrier to capital formation, according to Marxism, is inherent in the feudal system and the capitalist system of economy.[7] As Marx has theorized, those who engage in productive labor generally do not own the major means of production. They work for wages and create surplus value by their labor power. They themselves, however, receive only a minor share of the value created by their labor. The major share, including the surplus value, is divided among the owners of the production materials. When a disproportionate share of the surplus value is consumed by the owners, it will limit the scope of capital accumulation and reinvestment.

Due to its rather complex cultural and social structural basis, capital formation could conceivably be approached in a number of ways if a country should want to push ahead with developing its economy. In Communist China, as we shall demonstrate, capital formation was achieved by first changing the economically relevant social structure so that the surplus value was no longer held by the ownership class but channeled by the state into reinvestment. Once the state gained control of the surplus value, it then proceeded to further augment the amount for capital investment by increasing production and curtailing consumption. We shall outline the main programs which the Chinese Communist authorities have undertaken toward achieving these objectives. We shall discuss the patterns in which mass media and interpersonal communications were utilized to remove the influentials from the old social structure, to stimulate productive activities, and to induce curtailed consumption. It is our purpose to illustrate how communication following these patterns played an essential part in the process of capital formation for economic development in China.

SOCIAL STRUCTURAL CHANGE

Land Reform

The Chinese Communists considered a change of social relations for production to be a prerequisite to an increase of productivity. In the predominant rural regions of China, this was achieved by the Agricultural Land Reform program started in June 1950. The objective of the Land Reform was to end the dominance of the landlord class over the major resource of China's economy, i.e., agricultural production. By 1952, when the Land Reform was pronounced successfully concluded, approximately 737,300,000 mu* of farm land previously owned by landlords had been confiscated and redistributed to a peasant population estimated around 300,000,000, or about 90 percent of the entire agricultural population at that time. Along with land, some of the peasants acquired cattle, farm tools, and houses that formerly belonged to the landlords.[8]

The Land Reform movement was officially declared to be a "fierce class struggle," carried out through the combination of Party direction and mass participation by the peasants.[9] Communication both through the mass media and at the interpersonal level played essential roles in the entire movement. The directives of the Party were published in the newspapers and broadcast over the radio. Acting according to the directives, Land Reform Work Teams were sent to the villages to organize the peasants. More than 300,000 cadres took part in the Work Teams every year during the whole period of the movement.[10] When a team had arrived in a village, the cadres first went to visit the poor peasants and tenants to make their acquaintance and learn about their sufferings. Then the poor peasants were called together to share with each other their past experiences. In this way a core group of supporters having a common orientation was formed. The core group of poor peasants and tenants was then expanded to absorb the middle peasants, and together they were organized into a peasant association. A number of mass meetings were then held, at which the peasants were asked to "Spit bitter water," -- that is, to tell their own stories in order to convince each other why the previous system must be changed. This step, intended to cultivate class consciousness among the peasants, was considered highly important. Only after the achievement of this stage

*mu, a Chinese unit of measure, is 1/6 of an acre.

were the peasants thought to be ready to engage in a class struggle with the landlords. The struggle took the form of a mass rally, to which the landlords were brought for a trial.[11]

It seemed that in the beginning the peasants were not sure as to what to say at a mass rally, and did not show the enthusiastic response expected of them by the Party. They began to participate more actively when the suggestion was made that silence could be interpreted to mean siding with the landlords.[12] Acting upon the cues given by Party cadres, a number of peasants would speak up at the rally to expose the wrongdoings of the landlords, and other peasants would loudly voice their approval of such exposure. An intense atmosphere of mass involvement was gradually built up to create an appearance of urgency and legitimacy for whatever actions the Party cadres wanted to take against the landlords. In most cases, the landlords surrendered their land and other properties. In some cases, they were executed.[13]

The importance of communication and organization to the Land Reform movement was fully recognized by the Party, as told by a high-level Communist official:

> Our experience in the last three years proves that without organizing and releasing the vast rural masses, the Land Reform could not have been brought to a true fruition. If we had not organized the masses, and only depended on administrative orders to bring about the so-called "peaceful land reform," or "bureaucratic land reform," we could not have truly destroyed the landlord class, or truly carried out the land reform, let alone set the land reform upon a solid foundation.[14]

Although the Land Reform Law made provisions for landlords to retain some land for their own use, the movement in effect eliminated the landlords as an influential social class, and completely altered the social structure in rural China. Before the Land Reform, the agricultural population in China was estimated to consist of less than 10 percent landlords and rich peasants, who owned about 70 to 80 percent of arable land. The remaining 90 percent included some 70 percent tenants and poor peasants, and about 20 percent middle peasants. After the Land Reform, the composition was estimated at about 80 percent middle peasants and 20 percent poor peasants.[15]

The Wu Fan Movement

A similar change of social relations for production took place in the cities shortly after the rural Land Reform program. Officially known as the Wu Fan (Five Anti) movement, it started as a mass campaign to stamp out such practices as bribery, tax evasion, pilferage of public property, profiteering, and stealing of economic information.[16] It ended as a purge of industrialists and businessmen, and paved the way for the eventual nationalization of all industries and business in 1956. Because the use of communication in Wu Fan was highly indicative of the patterns of many other mass campaigns, we shall give a brief account of what happened in Shanghai, the focus of that movement.[17] It was in January 1952, two years after the establishment of the People's Republic. The nation had just witnessed a mass campaign directed against widespread practices of corruption and extortion among Party cadres of different levels.[18] On January 13, 1952, the People's Daily published a short editorial, in which the criticism was directed not against Party members, but against several businessmen who involved Party members by offering them bribes in return for illegal profit. Following this official lead, the media in big cities quickly joined the movement by exposing and denouncing the illegitimate practices of bribery and profiteering in business circles.

The Party used the media to set the framework of the Wu Fan movement by casting the industrialists and businessmen in the role of public enemy. This can be illustrated by the case of Wang Kang-nien, owner of a large pharmaceutical company, who was accused of making huge profit by selling fake medicine to the People's Liberation Army. Once Wang's case was chosen as a prototype, for weeks the newspapers in Shanghai were saturated with stories exposing his crimes. Radio stations broadcast plays in which Wang's case was dramatized. Stage shows and musicals were presented by the East China Experimental Operatic Troupe. Even the comedians joined in by telling jokes about Wang Kang-nien. Thus every conceivable channel was utilized to publicize his case.[19]

At the same time face-to-face communication was organized on a massive scale to apply pressure on the industrialists and businessmen. On January 15, 1952, a Meeting of Representatives of Industry and Business was called in Shanghai, attended by more than 1,600 representatives. The meeting lasted three days and passed the ground rules for fighting corruption, deception, profiteering, and tax evasion. Right at the meeting several prominent industrial leaders were asked to make confessions. On January 18, similar meetings were held for different trades, and commi[illegible]

and subcommittees were formed to carry out the campaign of confession. Audit teams were organized out of Party members, professors, and college students to examine the books of factories and stores. Many "broadcast stations," each equipped with a microphone or loudspeaker, were set up at street corners. Day and night, the loudspeakers broadcast demands for confession: "Owner so and so, we have all the evidence of your wrong-doings. You had better confess." After the name of a particular store owner was called over the broadcast, a small team would go to that store and demand an immediate confession. Depending on what the owner might say or do, the broadcast would sound again: "Owner so and so, you have not been frank enough. Confess more." This would continue until the team was satisfied with a complete account of misdeeds. In addition to face-to-face confrontation and street corner broadcast, Tatzepao (big character posters) were used extensively. Walls and windows were covered with posters of all kinds: For instance, "Store owner, have you confessed everything?" or "All Shanghai workers unite and direct your fire at your boss" or "We have covered the entire heaven and earth with a net; you have no escape."

Unlike the Land Reform program, the Wu Fan movement was not proclaimed by law. In fact, the government ostensibly took no part in it. However, enormous pressure was applied on the earmarked individuals through a coordinated use of mass media and face-to-face communication. In a way these individuals were not unlike the naive subject in Professor Asch's well known psychological experiment on line judgment.[20] When placed in a situation where everyone else said the short line was long, some of the naive subjects agreed with the majority judgment. In the Wu Fan movement, each of the Chinese industrialists and businessmen faced the crowd all by himself. From all the channels of communication he heard only one version. The media, the street corner broadcasts, the Tatzepao, his colleagues, and workers in his factory all said he was guilty. Whether any of the business owners actually came to believe their guilt could not be ascertained. At least overtly, they all admitted their guilt, which provided a basis of legitimacy for later action. Everything one said in his confession was placed on record. For instance, if the owner of a factory admitted that he had stolen public funds in a certain contract with the government or evaded so much tax, he was required to come up with that amount to repay the state. In the end, many industrialists and businessmen surrendered virtually all the mobile assets they had: cash, foreign currency, gold, jewelry, etc.[21] They were still allowed to retain the ownership of their business, but the movement had totally stripped them of any prestige and credibility in the eyes of their former subordinates. In effect, the Wu Fan campaign removed these individuals from the management of their own business.

Socialist Transformation

The Wu Fan movement in 1952 paved the way for the socialist transformation of all private enterprises during the Public-Private Joint Management Program carried out from late 1955 to early 1956. Under that program, more than 70,000 private factories and some 2,000,000 stores were converted into joint enterprises.[22]

The socialist transformation of private businesses into joint enterprises represented a novel use of communication. The following was based on a participant-observer account by Robert Loh, a representative of private business, who took an active part in carrying out the transformation in Shanghai.[23] Shortly after the Chinese Communists had come into power, it was made known that all private industries and businesses would be nationalized gradually over the next twenty-five years. The Five-Anti campaign, however, had made most businessmen in Shanghai uncertain about their future. One day in December 1955, about eighty of Shanghai's top businessmen and industrialists were called to a meeting with Chairman Mao Tse-tung. Mao began by praising them for their contributions, and then said that many businessmen had been asking that the course of socialist transformation of private business be hastened. However, Mao didn't think he could agree with this view, but since he was not well informed on the subject, he had come from Peking to seek their advice.

The industrialists and businessmen protested that the progress of socialist transformation thus far had been too slow. Those who spoke all expressed their desire for nationalizing private business with the least possible delay. Some suggested that the transformation could be made in as little as five years. After listening attentively for two hours, Mao thanked those at the meeting and said he would give serious thought to their opinions. The consensus among the businessmen after the meeting was that socialist transformation would take place within six years. A couple of weeks later came the official announcement. The joint state-private management was to be effected in six days.

"Shock-Attack Teams" were quickly organized in Shanghai and throughout the nation. In Shanghai, the teams were composed of members of the Working Committee of Young Businessmen, which was affiliated with a Communist front organization, the Democratic Youth Association of Shanghai. Working with the state-controlled Federation of Industry and Commerce, the Shock-Attack Teams called businessmen to special meetings and explained the purposes of the campaign. The teams helped businessmen to fill out applications for the joint state-private management, and put pressure on the few who were reluctant to join.

Meanwhile, speeches by prominent business leaders supporting the campaign were publicized in the newspapers and over the radio. Slogans were posted and placards printed for distribution. A competition was started for the different trade groups to challenge each other, to see which would be the first to achieve 100 percent application. As soon as one particular trade or guild had turned in applications for all its members, a big parade was staged, with banners, bands, drums, gongs, firecrackers, and slogan-shouters. Students and members of women's organizations lined the parade route to cheer the procession, which was led by businessmen carrying stacks of red envelopes containing the formal applications. The parade first proceeded to the Federation of Industry and Commerce, where the envelopes were ceremoniously delivered. Then the paraders went to the respective government and Party headquarters to report the good news.

Instead of encountering any resistance, the Party had turned the massive take-over of private business into a celebration. The experience in the Wu Fan movement had probably convinced most businessmen that resistance would be futile. Yet had it not been for the fanfare and the holiday mood of popular involvement and celebration created by the Party, it would probably not have been possible to achieve the formal transformation within a week. The businessmen and industrialists were swept off by a gigantic tide, as it were, which they themselves had helped generate. After all, one could hardly complain about something that he himself was celebrating.

It should be pointed out that no direct force was applied if a business owner should refuse to join. According to Loh, of some 165,000 firms in Shanghai, he knew of only one whose owner refused to make the application. This was an elderly man who operated a medium-size paper mill. After the campaign he could not get raw materials and lost all orders. No banks would extend him loans. He was bankrupt within two months. He was sued by the labor union and the tax bureau, arrested, and sentenced to labor reform.[24]

After the celebration was over, the business owners were required to evaluate their assets, generally at about one-fifth of the market value, and then turned over the assessments to the state as their shares in the joint enterprises. The state awarded them with an annual interest of 5 percent, to be paid for seven years. The owners were given the same salaries they had been receiving before. Otherwise, they were separated from the business they previously owned. Some industrialists were given management jobs elsewhere. Owners of small businesses were sometimes permitted to work in their stores. Through the Wu Fan movement and the Joint Management program, the Chinese Communist government gained control of all the industries and business establishments in the country. More

significantly these programs eliminated the urban social class which had held the major share of what the Marxists call the surplus value of labor.

SURPLUS VALUE AND INVESTMENT

The elimination of the landlords and urban business owners does not mean, however, that the surplus value was to be distributed among peasants and workers.[25] Rather, the state took over the surplus value and channeled much of it into capital for reinvestment. For the Chinese Communist government, the question then was how to generate the maximum possible amount of capital given the available resources and manpower. Once a state has gained control of the surplus value, it can generate more capital by either increasing production, or limiting consumption, or both. The Chinese Communist leaders chose both. This can be seen from a statement by Sung Shao-wu, a high-level official in charge of economic planning:

> The main sources of capital funds are the steady increase of production and the practice of economy, thereby creating new wealth for the nation.[26]

One effective way of increasing production is through industrialization, which has been the long-range objective of Communist China. However, industrialization would need a massive amount of initial capital investment, which China did not have, and a high level of technical know-how, which China had yet to develop. The technological and economic aid from Soviet Russia undoubtedly played a part in China's development.[27] Yet much of the burden of capital investment had to be borne by China herself. When the Communist leadership looked around in the early 1950's for ways of generating surplus value for capital investment, it is not surprising that their eyes fell on China's main resources, peasant labor and land.

Production Increase Campaigns

The Rural Land Reform had been successful in restoring agricultural production back to the pre-war level. It had lifted up the spirits of the peasants who now tilled their own land. But production was not high enough, partly because of a shortage of cattle and farm tools in the aftermath of war destruction. According to a report by Minister of Agriculture Li Shucheng on agricultural production from 1950 to 1952, the total number of farm cattle was 16 percent below the pre-war level, and major farm tools

were 30 percent short.[28] Another factor considered to be holding down the level of production was the relatively low degree of division of labor inherent in the small farm private ownership system. A peasant working in his small paddy field has to do practically everything by himself. Due to these and ideological reasons, the Chinese Communists experimented with a number of measures intended to make the maximum use of land and rural manpower and achieve the highest possible level of agricultural production.

The first measure was the Mutual Aid Team movement in the spring of 1953, during which the Chinese peasants were organized into relatively small Mutual Aid Teams, first on a temporary and later on a regular basis. The purposes were to share the use of available cattle and farm tools and to achieve a higher degree of division of labor. In December 1953, the Communist government announced its Agricultural Cooperative movement, which converted the Mutual Aid Teams into larger units known as Agricultural Producers' Cooperatives, with an average size of about 160 families. Altogether, more than 740,000 Cooperatives were eventually organized.[29] While the Mutual Aid program was built upon the age-old Chinese norm of reciprocity among peasants, the Agricultural Cooperatives called for collective planning of production and collective use of cattle, farm tools, land, and manpower. The ownership of land, cattle and implements remained with the peasants in name in the Elementary Cooperatives, which replaced the Mutual Aid Teams in the initial stage. The distribution of crop income among peasant members was based partly on the number of shares each member had acquired by transferring his land to the Cooperative, and partly on the amount of labor he and his family had contributed. In the Advanced Cooperatives, which replaced the Elementary Cooperatives in late 1956, the number of shares no longer made any difference. The distribution of crop income was based solely on labor. Except for private plots around the house and small livestock, all land, cattle and major implements were collectively owned. In the autumn of 1958 the Advanced Agricultural Cooperatives were reorganized into 24,000 People's Communes with an average size of about 5,000 families.[30] By the spring of 1959, the communes had proved to be a failure without being officially admitted. Although the communes have existed in name, the organization of agricultural production has largely gone back toward the patterns of Advanced Cooperatives.

In every step of structural change in the villages, the Communist Party used communication extensively to prepare and organize the peasants so that they could adapt to the new economic relations.[31] According to the December 1953 resolution by the Party, the farm collectivization program was to proceed in gradual escalation. In most areas, the peasants were first organized into temporary Mutual Aid Teams for seasonal, simple exchange

of labor. When the peasants had more or less been accustomed to this new form of labor relation, then the Mutual Aid Teams were converted from a temporary to a regular basis. After the peasants had acquired enough experience with the regular mutual help system, and when the local situation was considered to be ready and favorable, then the peasants were urged to pool their land holdings and organize themselves into an Elementary Agricultural Cooperative. After an Elementary Cooperative had operated for a while and ironed out most of its transition problems, it was then reorganized into an Advanced Agricultural Cooperative. In the whole process, the mass media, particularly the newspapers, largely played the roles of announcing the general directives and providing a mechanism for feedback from the grassroots level. Throughout these movements, problems and difficulties of transition experienced by peasants in various localities were rather openly reported and discussed in news and feature stories published in newspapers.

The main task of motivating and organizing the peasant manpower for production, however, was carried out through face-to-face communication.[32] After a village had been assigned a production quota, the peasants were called together by the local cadres to discuss the ways and means by which the quota could be achieved. Everyone was urged to express his views, to criticize others, and to engage in debates. This was known as Ta-ming (big blooming), Ta-fang (big airing), and Ta-pien-lun (big debates), in which all conceivable difficulties were discussed and solutions considered. The face-to-face communication was supported by Tatzepao, the big character posters which were the only print medium available at the village level that could be exclusively employed to publicize events and programs in the village. Through the discussion and debates, the production quota assigned by the hierarchy became accepted as a group goal, and group norms and standards emerged to govern the behavior of individual peasants for fulfilling the group goal. The process was not unlike what has been observed in group dynamics in the tradition of Kurt Lewin.[33] Meetings and discussions of this kind were held not only at the village level, but at levels all the way from the rural district up to the province, where problems of different scopes were discussed.

To stimulate rural production, the Communists employed a method of group competition known as "Grasping the Advanced and Bringing up the Followers " and "Grasping the Followers and Pushing the Advanced."[34] The idea was to select a village which had achieved success in some aspect of production or innovation. A meeting was then called in that village and attended by representatives of other villages. The experience of the model village was thoroughly reviewed and possible difficulties of application to

other villages were discussed. The representatives would return to their own villages to try it out. In this way, those villages that were behind could "grasp" the village that was more advanced in order to bring themselves up. But once the experience was shared with other villages, the advanced village would soon lose its leading position. Therefore, the more advanced village was constantly under pressure to work even harder in order to stay ahead. It was "pushed" by the followers, so to speak.

Essentially the same methods were used to organize and stimulate industrial production. In a movement known as "Labor Contest" started in 1950, a number of production units with outstanding records were designated as pioneering models for each manufacturing industry and their production achievements widely publicized, either locally in Tatzepao or nationally through feature stories in the newspapers. On-the-spot demonstrations were organized and attended by workers from other units. In this way, these other units could "compare with the pioneers, learn from the pioneers, and catch up with the pioneers."[35]

Whenever a production mission was assigned, the first thing to do was to call a mass meeting of workers, at which the task was carefully explained. Then the same kind of discussion practiced in the villages--Ta-ming (big blooming), Ta-fang (big airing), and Ta-pien-lun (big debate)--was followed, during which the workers raised questions, proposed plans of production, and suggested ways of improving techniques and saving raw materials. All workers were required to participate in prolonged discussions. New ideas that came up in the discussions were written up and posted in Tatzepao. Millions upon millions of Tatzepao were said to have been posted to disseminate such technological innovations.[36] In the ten years of labor contest movements from 1950 to 1959, more than 31,000,000 feasible suggestions and new ideas were said to have been proposed in this manner, and some 5,690,000 workers were voted as "Labor Pioneers" by their colleagues.[37]

Restricted Consumption

In order to generate huge surplus values, the Chinese Communist government also took steps to hold consumption to the lowest possible level. Food, the major item of consumption in China, was thus strictly rationed. A food ration system would function effectively only if the government could gain complete control of all foodstuffs at the source of supply, i.e., in the vast peasant population. Several programs were carried out, largely through the use of persuasive communication, to achieve this end.

The overall objective of these programs was for the government to collect all the foodstuffs produced after allowing the peasants to keep a quantity barely sufficient for their own consumption. A major portion of foodstuff collection came from the levies which the peasants were required to pay in kind in lieu of cash taxes. During the initial period before food rationing was strictly enforced in November 1953, the peasants were allowed to do whatever they pleased with the rest of the crop after the levies had been paid each year. For instance, they could sell it to private stores. They were not obliged to sell any surplus food to the government. However, the government ended up being the main buyer through the use of personal persuasion on a massive scale.[38] First, Party cadres went to the villages to find out how much food had been produced that year and how much was available for sale. This was called "feeling the bottom." Then, using all available channels of interpersonal communication, e.g., friends, relatives, or local cadres who had the confidence of the peasants, a persuasive campaign was launched to pressure the peasants to sell their surplus foodstuff to the government. In effect, the peasants were obliged to persuade each other. Competition was encouraged by publicizing a few model peasants in each village and urging the others to emulate these models.

After full-scale rationing was proclaimed in November 1953, the peasants were no longer allowed to sell their foodstuff to private stores but required to sell to the government only. The problem then became how to work out an effective yet flexible criterion which, depending on varying sizes of crops in different locations, would leave the peasants with just enough for their own use. Again, communication was extensively employed. Instead of using any formula, the government let each village work out its own criteria within a general quota. The method was referred to as "democratic evaluation." All families in the Agricultural Cooperative were informed of the quota assigned to their village, and asked to declare how much foodstuff each would volunteer to sell. A series of meetings was then called to discuss each case until a final agreement was reached on the quantity of sale by each family.

The peasants were not encouraged to spend the money they received from their grain sales. If they had obtained production loans from the village credit union, the amounts were automatically deducted from the cash payment. The prompt collection of loan repayments was emphasized by the central government.[39] Of the remaining amount, the peasants were urged to deposit a portion into the People's Bank as savings. They were asked to pledge their deposits during the same group discussions in which they volunteered the amounts of grain sales.[40] Through the same process of "democratic evaluation," each peasant was asked to pledge an amount that was judged to be adequate and equitable by the group.

Instead of waiting for the peasants to come and make the deposit, the People's Bank and the credit unions jointly sent work teams to the villages right after harvest time to collect loan repayments and handle savings deposits.[41] For the 1953 winter harvest, for instance, by the end of January 1954, the People's Bank had collected 4,200,000,000 Yuan of savings deposits from peasants in mainland China.[42] The take-home income of peasants from grain sales for that year was estimated at 3,000,000,000 Yuan.[43] To further discourage spending, the peasants had to present justifications before they could withdraw from their deposits. Some cadres of the People's Bank even required the peasants to submit a budget of income and expenditures for approval.[44]

In those areas where food was not sufficiently produced and where the peasants had to buy food from the government, the same method of "democratic evaluation" was employed to determine how much they could buy. Through group discussions, the peasants would agree on the minimum quantity each family would require and the aggregate total was then presented to the local government for approval.

These measures, as well as a number of modifications introduced later, gave the government complete control of the food production and consumption in the entire country. By tightening up consumption, the Chinese Communists were able to export huge quantities of agricultural products in exchange for equipment and materials for industrial development, largely with Communist bloc countries. As Table 1 shows, agricultural products constituted more than 90 percent of China's total exports in 1950 and remained at a very high level through 1958, while the total volumes of export kept expanding in these years (Table 2). On the other hand, most of the imports were for capital investments, from 87.2 percent in 1950 and steadily increasing to 93.7 percent in 1958. Imports of consumer goods ranged from 12.8 percent in 1950 to the low level of 6.3 percent in 1958. This reversed the trend that existed before 1949.[45]

By the official estimates of the Chinese Communist government, in the ten years from 1950 to 1959 the total investments for basic reconstruction, including industry, mining, transportation, and irrigation works, reached 114,300,000,000 JMP,* or about 43 percent of the total national income in that period, which was calculated at 265,900,000,000 JMP.[46] Capital investment in industrial development alone totaled 45,000,000,000 JMP from 1950 to 1958, estimated to be three times as much as the entire

* One JMP, short for Jen Min Pi, or people's currency, is worth less than 50¢ U.S.$

industrial investment in China in the previous century.[47] As a result, the industrial output in 1958 was estimated at 3.3 times that of 1949, with an average annual growth rate calculated at 28.1 percent.[48]

SUMMARY AND DISCUSSION

We have seen that a key to the Chinese Communist model of economic development was capital formation, achieved through a complete change of the economically relevant social structure and through stepped-up production as well as curtailed consumption. The two social classes that previously controlled the major means of production were tackled one at a time, the rural landlords first and the urban business owners next. It is important to bear in mind that the elimination of neither social class was brought about by administrative orders or the use of military force. In both cases, the Chinese Communist Party identified another social class who could be aroused to stand in conflict with the class that was to be eliminated. Against the landlords, they roused the peasants. Against the industrial and business owners, they pitched the workers.

Communication played a vital part in these inter-class confrontations. During the rural Land Reform movement, communication was utilized on a massive scale, both through the media and interpersonal channels, to cultivate class consciousness and to convince the peasants that actions against the landlords would be necessary. Perhaps no other tasks ever assigned to communication could match in difficulty and in scope the ones which the Chinese Communists intended to achieve in their Land Reform. Here was a vast social class of individuals, most of whom were illiterate and who had been for generations subservient to those who wielded enormous influence in their villages and controlled their economic life. Now these individuals were asked to stand up and strike down this powerful group of landlords. If the peasants had not been emotionally and motivationally roused, as during the mass rallies and the pre-rally group sessions, one doubts whether the material rewards alone could have induced them to do what they eventually did. The same could be said of the confrontations between the industrial-business owners and the workers, which took place during the Wu Fan movement following the rural Land Reform.

Other than motivational arousal, communication played another important role in creating an appearance of legitimacy and providing a normative basis for the kind of behavior required of the mass of people during the class struggles. When one reviews the history of the Chinese Communists, particularly during the last two decades since they came

into power, one cannot but be impressed by their concern to appear to be correct in whatever they did. This was evidenced in their purges and rectification campaigns and, more recently, in the Cultural Revolution. A person is not simply punished. He must admit his wrongdoings before actions are taken against him. That is, a basis of legitimacy must be laid first. In both the Land Reform and the Wu Fan movement, this basis was laid through the use of communication. Under enormous pressure from individuals they knew, the landlords and business owners had no recourse but to make confessions, some of which were widely publicized in the mass media to keep up the momentum of the movement.

In addition to this basis of legitimacy, the peasants and workers would need to be guided by new social norms as to how they should behave in the class confrontations. During the intial stage of the Land Reform, there were indications that the peasants did not quite know what they were supposed to do or how far they should go in pressing the landlords. The same pattern of hesitation was manifested among the workers in the beginning of the Wu Fan movement. Evidently there was nothing in their previous experience that would suggest the appropriate patterns of behavior to follow. It was in the setting of face-to-face communication during the struggle that the new norms emerged and became adopted. The peasants and workers learned to speak out against their former superiors and to voice their approval when actions were proposed. It was a classic case of role playing guided by strict norms that developed through communication.

We have seen the manner in which communication was extensively used to organize and coordinate the productive activities both in agriculture and industry. Whatever the task might be, the workers and peasants were thoroughly briefed and urged to express their views and raise questions. Through the process of face-to-face communication, the group came to accept the task as an objective of its own and worked out its own ways and standards for achieving that objective.

Communication has been employed to pressure the peasants and workers to compete against each other in a group context for higher productivity. Equally important, and perhaps more intriguing, is the way communication has been used to achieve involuntary deferred gratification through reduced consumption. Deferred gratification as understood outside the Communist world refers to the voluntary postponement of immediate reward in return for a possibly greater reward

in the future. The postponement is built on an individual motivational basis whether the beneficiary is the person himself or someone dear to him, e.g., wife or child. Since there is no outside restraint on immediate gratification other than one's own motivation, those who lack a sufficient motivational basis would tend to squander away their extra income and thus slow down the overall process of capital formation. The Chinese Communists solved this problem not by cultivating individually oriented motivation but by allowing the barest minimum level of consumption, and thus achieved involuntary but effective deferred gratification on a mass level. Again, communication played a major role in bringing it about through the process of group discussion known as the "democratic evaluation."

A general pattern can be seen in the processes of communication as employed by the Chinese Communists. The initial impetus of communication almost invariably comes from a high-level policy decision of the Party. The mass media--newspapers, radio stations, and sometimes magazines--take over from there to disseminate information and clarification related to the Party policy, to provide feedback from the grassroots on the problems and difficulties encountered, and to supply reinforcement by publicizing cases of success. The implementation of the policy, however, is achieved through face-to-face communication in closely supervised group networks. Within each network, the peasants and workers are called upon to play their designated roles, whether to purge the landlords, or to denounce the business owners, or to contribute their labor. Although different situations call for different role performances, the networks appear to be sufficiently well organized to accommodate all of them.

From a purely economic point of view, the Chinese Communist model appears to be highly effective. Through the use of interpersonal and mediated communication, the Chinese Communist government was able to change the social structure, increase production, and limit consumption, and thereby pool together a huge amount of capital investment for industrial and other related developments with tangible results. The question then is: Could this model be applied or adapted to other countries in the course of national development?

The answer seems to be: It depends. For any country to consider the Chinese Communist model, it must ask itself several questions: Does it have complete control of the mass media as the Chinese Communist Party does in China? To the extent that the media are not under complete control, then unanimity and a basis of legitimacy probably cannot readily

be achieved for the actions the government may want to take. The experience of the late President Allende of Chile is a case in point. Secondly, does it have an effective Party apparatus to organize and carry out massive campaigns of interpersonal communication? As the Chinese Communist leaders themselves have acknowledged, none of the social structural changes could have been brought about by administrative orders. Social structure can only be changed at the grassroots level. If a government does not have control at that level, attempting to change the social structure would most likely create confusion or even chaos. Thirdly, it must examine the nature of its social structure to see if a sufficient basis of genuine grievances can be found in order to exploit and expand interclass conflict. Without such a basis, the class struggle and the eventual structural change would be difficult to achieve.

At this point, one needs to note the delicate state of equilibrium which seems to exist in the new social structure of China in place of the old. There may have been periods of unrest and passive resistance in mainland China during the last two decades, but the peasants and workers have not actively sought to change their positions in the overall social structure. A number of explanations can be offered: the lack of organization, the tremendous odds against any attempt of change, the slowly improving standard of living, a sense of participation, and a feeling of national purpose. All these may be valid. However, one must not overlook an important characteristic of the Chinese people: the capacity for tolerance and patience even in situations of severe stress. These attributes seem to be a reflection of the authoritarian submission tendency that has been noted as part of the Chinese personality.[49] Because of their traditional obedience toward authority figures, the Chinese seem to be tolerant of what other peoples would regard as excessive demands by their government. Furthermore, for centuries the Chinese have been accustomed to hard work as a way of compensating for their inefficient technology. The low level of productivity and their inability to cope with natural calamities have created a habit of practicing economy.[50] Their qualities of diligence and frugality would seem to make it easier for the Chinese to accept the Communist programs of production increase and consumption curtailment. One is highly tempted to speculate whether these attributes might not be part of the reasons why violent reactions occurred in countries like Poland and Hungary but not in China. Thus a fourth question: Are the cultural characteristics such as to mitigate the mood of resistance and ease the process of turbulent change?

Finally, there is a question of value judgment: Are the leaders and the people prepared to bear the enormous human cost which the Chinese

sustained, particularly during the initial period of the revolution? It seems that these questions would have to be answered before the Chinese Communist model of development could be given very serious consideration.

Table 1

Exports and Imports of People's Republic of China, 1950-1958:[a]
Composition of Trade

	Exports		Imports	
Year	Agricultural Products	Industrial and Mining Products	Production Materials	Consumer Goods
1950	90.7%	9.3%	87.2%	12.8%
1951	86.0%	14.0%	83.1%	16.9%
1952	82.1%	17.9%	90.6%	9.4%
1953	81.6%	18.4%	93.0%	7.0%
1954	76.0%	24.0%	92.8%	7.2%
1955	74.5%	25.5%	94.5%	5.5%
1956	73.9%	26.1%	92.4%	7.6%
1957	71.6%	28.4%	92.7%	7.3%
1958	72.5%	27.5%	93.7%	6.3%

[a] From The Great Ten Years, Peking: Foreign Language Press, 1959, p. 176. Comparable official statistics have not been released since 1958.

Table 2

Exports and Imports of People's Republic of China, 1950-1958: Amounts of Trade

Year	Exports	Imports	Total[a]
1950	2,030	2,120	4,150[b]
1951	2,440	3,490	5,950
1952	2,750	3,730	6,480
1953	3,520	4,570	8,090
1954	4,050	4,420	8,470
1955	4,910	6,070	10,980
1956	5,570	5,300	10,870
1957	n.a.	n.a.	10,450
1958	n.a.	n.a.	12,870

[a]Reliable statistics about China's foreign trade are difficult to obtain and different sources generally do not agree. The total trade amounts for 1950-1958 are taken from The Great Ten Years, Peking: Foreign Language Press, 1959, p. 175. The estimates for exports and imports are taken from Communist China's Ten Years, Hong Kong, Union Publishers, 1960, p. 174. These figures indicate a steady expansion of foreign trade by mainland China.

[b]The figures are given in units of one million JMP.

NOTES

1. For the concept of economic development, see Joseph J. Spengler, "Bureaucracy and Economic Development," in Joseph La Palombara (ed.), Bureaucracy and Political Development, Princeton, New Jersey: Princeton University Press, 1963, pp. 199-232.

2. Chou En-lai has described China's manpower as the "most precious capital," not just as labor but as "creators of production equipment." See Chou En-lai, "The Great Ten Years," in The Glorious Ten Years, Hong Kong: San Lien Book Store, 1959, p. 41. A number of surveys of China's economic development are available. See Yuan-li Wu, An Economic Survey of Communist China, New York: Bookman Associates, 1956; Ygael Gluckstein, Mao's China - Economic and Political Survey, Boston: Beacon Press, 1957; Choh-ming Li, Economic Development of Communist China, Berkeley, California: University of California Press, 1959; Trevor J. Hughes and D.E.T. Luard, The Economic Development of Communist China - 1949-1960, London, Oxford University Press, 1961; Ta-ching Liu and Kung-chia Yeh, The Economy of the Chinese Mainland: National Income and Economic Development, 1933-1959, Princeton, New Jersey: Princeton University Press, 1965; Yuan-li Wu, The Economy of Communist China, New York: Frederick A. Praeger, 1965; Nai-Ruenn Chen and Walter Galenson, The Chinese Economy Under Communism, Chicago: Aldine Publishing Co., 1969.

3. Max Weber, The Protestant Ethic and the Spirit of Capitalism, New York: Scribner, 1958.

4. For the concept of deferred gratification, see Louis Schneider and Svenne Lysgaard, "The Deferred Gratification Pattern: A Preliminary

Study," American Sociological Review, 1953, 18: pp. 142-149. For the role of deferred gratification and some empirical evidence, see Wibur Schramm, "Communication Development and the Development Process," in Lucien W. Pye, ed., Communication and Political Development, Princeton, N.J.: Princeton University Press, pp. 5-32, and Godwin C. Chu, "Media Use and Deferred Gratification in Economic Development," paper presented at the Association for Education in Journalism, Boulder, Colorado, 1967.

5. Richard D. Lambert and Bert F. Hoselitz, The Role of Savings and Wealth in Southeast Asia and the West, Paris: Unesco, 1963. It may be argued that the cash with which a person buys jewelry or unproductive land holdings will still be in circulation. An essential aspect of capital formation, however, is not the accumulation and circulation of cash as such, which is only a medium for undefined purposes, but rather the allocation of resources for productive activities. If a culture values large holdings of unproductive land as a prestige symbol, the jeweler may use his profits also to acquire that prestige symbol. If a large portion of a society's resources should be ultimately tied up in such unproductive forms, overall capital formation for development will most likely suffer. In other words, a lot of cash may be circulating, but it may circulate in the forms of jewels and decorative land that do not contribute to higher productivity.

6. Marion J. Levy, Jr., "Contrasting Factors in the Modernization of China and Japan," Economic Development and Cultural Change, 1953, 2, pp. 161-197.

7. Karl Marx, Capital: A Critique of Political Economy, Vol. 1, The Process of Capitalist Production. Chicago: Charles H. Kerr and Co., 1919, pp. 163-242, 634-637.

8. Liao Lu-yen, "The Dazzling Achievements on the Agricultural Battle Front in Ten Years," in The Glorious Ten Years, Hong Kong: San Lien Book Store, 1959, p. 121. Liao was Deputy Secretary-General in charge of agriculture in the Office of the Prime Minister.

9. Liao Lu-yen, "The Great Victory in Three Years of Land Reform Movement," Important Documents of the Chinese Communists, Vol. 5, compiled and published by Central Committee of Kuomintang, Sixth Division, Taipei, Taiwan, 1953, pp. 222-225.

10. Ibid., p. 224.

11. An official account of land reform outside Peking was released by the Central Government of the People's Republic on November 21, 1950. See Xin Hua Ban Yue Kan, 1951, No. 1, pp. 539-542. Eyewitness accounts are available in C. K. Yang, A Chinese Village in Early Communist Transition, contained in Chinese Communist Society: The Family and the Village, Cambridge, Mass.: MIT Press, 1965, pp. 131-145; also in Han Yi-wei, Three Years of Revolution, Hong Kong: South Wind Publishing Co., 1955, pp. 47-58.

12. Ching-wen Chou, Ten Years of Hurricane - The True Facets of the Red Regime, Hong Kong: Shih Tai Critique Publishers, 1959, pp. 170-172.

13. According to Liao Lu-yen, the highest ranking Chinese Communist official in charge of agriculture, those landlords "who had committed serious crimes, with stains of blood debt, against whom the people are furious, and those who attempted to resist or destroy the Land Reform" were sentenced to death and executed. Although no official figures were released, Liao noted that the execution of those landlords divided the landlord class and effectively reduced resistance to the Land Reform movement. See Liao, op. cit., 1953, p. 224. Unofficial estimates put the number of individuals purged, imprisoned, or killed in the Land Reform movement at approximately 20,000,000. See Cheng Chu-yuan, Communist China - Its Situation and Prospect, Hong Kong: Free Press, 1959, p. 175.

14. See Liao Lu-yen, op. cit., 1953, pp. 224-225.

15. See Liao Lu-yen, "The Dazzling Achievement on the Agricultural Battle Front in Ten Years," p. 120; also Liao, "The Great Victory in Three Years of Land Reform Movement," p. 226.

16. For a definition of Five Anti, see Chou En-lai, op. cit., 1959, p. 35. According to Po I-po, then Minister of Finance in charge of the Five Anti Movement in his capacity as chairman of the Central Economy Inspection Committee, a total of 450,000 private industrial and commercial establishments were investigated in nine major cities, including Peking, Shanghai, Tientsin, Wuhan, Canton and Mukden. In Shanghai alone, some 163,400 private establishments were investigated. See Gluckstein, op. cit., pp. 199-200.

17. The following account is based on Hua Ming, An Analysis of San Fan (Three Anti) and Wu Fan (Five Anti), Hong Kong: Union Publishers, 1952, pp. 48-73.

18. This was the San Fan (Three Anti) movement, which was directed against corruption, waste, and bureaucraticism among Party cadres. See Chou En-lai, op. cit., 1959, p. 35.

19. Hua Ming, op. cit., p. 72.

20. See S. E. Asch, "The Effects of Group Pressure," in Alex Inkeles (ed.), Readings on Modern Sociology, Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1966, pp. 206-215.

21. The total private properties and assets diverted to the government during the Five Anti movement were estimated at 850 million to 2 billion U.S. Dollars. See Gluckstein, op. cit., p. 200, and Walt W. Rostow, The Prospects for Communist China, New York: John Wiley & Sons, Inc., 1954, p. 80.

22. See Hsu Ti-hsin, "The Great and Penetrating Change in the Economy of Our Mother Land," in The Bright Eight Years, Hong Kong: New Democratic Publishing House, 1958, p. 9. Hsu was the Deputy Director of the Eighth Section, Office of the Prime Minister.

23. See Robert Loh, Escape from Red China, New York: Coward-McCann, Inc., 1962, pp. 178-188.

24. Ibid., p. 187.

25. For instance, increase of industrial productivity was estimated at 15 percent for 1954, but the increase of wage averaged only 1.1 percent that year. In 1955, industrial productivity went up by 10 percent, but wage increased by an average of 0.3 percent. See Cheng Chu-yuan, op. cit., 1959, p. 181.

26. See Sung Shao-wu, "The Movement for Increased Production and Practising Economy," People's China, April 1, 1952 (No. 7), p. 9. Sung was Director of the Planning Bureau, Committee of Financial and Economic Affairs.

27. According to Deputy Prime Minister Li Hsien-nien, foreign aid, mostly loans from Soviet Russia, made up only 2 percent of the total revenues of Communist China during the first ten years. See

Li Hsien-nien, "The Great Achievements in Finance in the People's Republic of China During Ten Years," in Ten Years of National Development, Vol. 1, Hong Kong: Chiwen Publishing House, 1959, p. 234.

28. Li Shu-cheng, "The Great Achievements in Agricultural Production in New China in the Last Three Years," in Important Documents of the Chinese Communists, Vol. 5, op. cit., p. 228. Li Shu-cheng was Minister of Agriculture.

29. Chou En-lai, op. cit., p. 38.

30. Ibid.

31. Liao Lu-yen, "The Dazzling Achievements on the Agricultural Battle Front in Ten Years," pp. 123-126.

32. Ibid., pp. 128-130.

33. Kurt Lewin, "Group Decision and Social Change," in Eleanor Maccoby, Theodore Newcomb, and Eugene Hartley (eds.), Readings in Social Psychology, New York: Holt, Rinehart and Winston, 1958, pp. 197-211; also Kurt Lewin, "Frontiers in Group Dynamics," Human Relations, 1947, 1, pp. 5-41.

34. Liao Lu-yen, "The Dazzling Achievements on the Agricultural Battle Front in Ten Years," p. 130. The Chinese terms were: Chua Hsien Chin, Tai Lo Hou; Chua Lo Hou, Pi Hsien Chin.

35. Chao Erh-lu, "Mechanical Industry in Ten Years," in Ten Years of National Development, Vol. 1, pp. 81-82. Chao was Minister of First Mechanical Industry.

36. Ibid., p. 82.

37. Workers Daily, September 30, 1959.

38. Chi Ling, "Collection and Distribution of Foodstuffs in Communist China in the Last Ten Years," in Communist China's Ten Years, Hong Kong: Union Publishers, 1960, pp. 414-416.

39. People's Daily editorial, November 30, 1953.

40. "Report on Economic Work," People's Daily, October 10, 1954.

41. People's Daily, November 28, 1953.

42. Yang Pei-hsin, "The Benefits of Savings to the Peasants," People's Daily, February 26, 1954. This was the old currency convertible at the rate of 10,000 Yuan to 1 JMP.

43. People's Daily, March 1, 1954.

44. Chu Cheng, "How to Accomplish the Task of Savings Deposit and Withdrawal as Related to Grain Sales," Ta Kung Pao (Tientsin), April 12, 1954.

45. For instance, China was importing food and exporting raw materials in 1936, the year before the Sino-Japanese War, but exporting food and importing industrial materials during the nine-year period from 1950 to 1958. For details of comparison, see Lou Hua, "Communist China's Foreign Trade in Ten Years," in Communist China's Ten Years, op. cit., pp. 161-203.

No official statistics on the composition of China's foreign trade have been released since 1958. However, other sources have indicated a change of trade patterns. Due to the collapse of the Great Leap Forward in 1959, imports of capital goods were temporarily reduced. Food shortages in the aftermath of the commune failures forced the Chinese Communist government to import large quantities of grains and fertilizers in the early 1960's. The gradual recovery in agricultural production made it possible for the foodstuff exports to exceed imports in 1965 for the first time since 1960. This trend was kept up till exports of foodstuffs almost doubled imports in 1970. Meanwhile, imports of industrial materials and equipment steadily increased. For detailed estimates and analysis, see A.H. Usack and R.E. Batsavage, "The International Trade of the People's Republic of China," in People's Republic of China: An Economic Assessment, a compendium of papers submitted to the Joint Economic Committee, Congress of the United States, May 18, 1972, pp. 335-370.

46. Li Hsien-nien, op. cit., pp. 229-230.

47. Li Feng, "China's Industry Is Standing Up," in Ten Years of National Development, Vol. 1, p. 59.

48. Wang Szu-hua, "Ten Years of Development Surpasses One Thousand Years," in Ten Years of National Development, Vol. 1, p. 155.

49. For a discussion of authoritarian submission as part of the Chinese personality, see Francis L. K. Hsu, Under the Ancestor's Shadow. London: Routledge and Kegan Paul, 1949, and Americans and Chinese, Two Ways of Life, New York, Henry Schuman, 1953.

50. See Martin M. C. Yang, "Familism and Chinese National Character," in Yih-yuan Li and Kuo-shu Yang (eds.), Symposium on the Character of the Chinese, An Interdisciplinary Approach, Institute of Ethnology, Academia Sinica, Monograph Series B, No. 4, Taipei, Taiwan, 1973, pp. 127-174.